

Panama, Balladares, for the lease agreement with the Hutchison Whampoa company, and it was again repeated to me over and over again that Hutchison Whampoa did not offer the best bid for those port facilities on either side of the Panama Canal, yet they were awarded that lease agreement, and the only explanation is that millions of dollars of bribes were provided to high-level Panamanian officials.

President Balladares, who was president at the time and recently stepped down, it is important for us to note that the Panamanian Constitution prevents a president of Panama from running for reelection. President Balladares wanted to change the Constitution so that he could run for reelection.

The Chinese certainly bankrolled that campaign, and guess who was down there running the referendum to try to change the Panamanian Constitution so this man who helped give away the Panama Canal would have the right to run again for office? Who was down there running that campaign for him? James Carville, that is who. Who is he? Every time you turn around, the President's inner circle is involved with something that is undercutting America's national security.

I am recommending to our colleagues that we pay attention to Panama. Up until now, the reason these things are happening is that we have left it to the administration, and Panama has been off of the radar screen of the United States of America.

It cannot be. If we let foreign policy be the purview only of the government and only of the executive branch, our country will suffer, as it has been put in great jeopardy by our relations with Communist China.

Just one other note. When I went to Panama, the head of the Panamanian CIA, that is their central intelligence agency, was in hiding. Her name was Samantha Smith. Samantha Smith was in hiding, and our embassy did not know where she was, they did not know what was happening, how to get hold of her. There was no report on Samantha Smith, of how we could talk to her.

The head of the Panamanian CIA was in hiding for this reason, because there had been information that she had been involved in a smuggling ring of Communist Chinese aliens, Chinese residents of the mainland of China, who had paid \$30,000 a head to President Balladares of Panama in order to go through Panama into the United States of America, hundreds of them.

This woman, the head of the CIA, was the one who signed off on this operation. But she had signed off on it because her president had ordered her to sign those documents, those requests from these Chinese coming from the mainland.

First of all, I want to know who these people were, who these Chinese were who could afford to pay \$30,000 to be smuggled into the United States

through Panama. Chinese farmers do not have that kind of money. I do not know if they are saboteurs, I do not know who they are, but I want to know who they are.

The head of the Panamanian CIA, when she realized she was going to be the fall person, she was going to be blamed when this became known, went into hiding. Guess what our? Our embassy just could not find her. They had not had contact with her. But guess what, within one day, I found her.

Within one day, I had a meeting with this head of their Panamanian intelligence. She just told me everything about how the President had forced her to sign these documents, ordered her, even above her objection; and how these Chinese would come in, these illegal Chinese would come in, land in Panama, and there would be a special escort officer that would take them on the second floor at the airport in Panama and take them around, and then take them where she did not know; and how she had protested to the President, but the president of Panama, Balladares, had ordered her to do so.

This is the man who also, fascinatingly enough, provided the contract for Hutchison Whampoa, the Chinese front company that now controls both ends of the canal.

Let me tell the Members something that I consider to be even another little bit of evidence that we should not miss. Supposedly, our government has been negotiating with the Panamanian government, the government of Balladares, for what? We have been negotiating to try to maintain some type of military presence in Panama to protect the Panama Canal.

Polls indicate now that from 70 to 80 percent of the Panamanian people love the United States and want to see a military presence of the United States in Panama. We left. They told us to leave, and we left. Now they know we have been serious all these years, that we believe they have the right and freedom to control their own country. We are not like Russia, China. If the people do not want us, we do not stay there and brutalize the people in order to maintain our military bases. We got out. That just reconfirmed for the people of Panama, hey, the Americans are good people after all. They really do believe in democracy. We want them back.

Although the polls showed 70 to 80 percent of the Panamanian people wanted us there, our State Department could not negotiate a contract and a deal that would permit us, an agreement that would permit us to have an American military presence in Panama. They could not do it.

Something is wrong. Something is wrong here. Of course, it was President Balladares who was the head of that country, and of course our own ambassador had not read any of the intelligence reports. I do not guess he has read any intelligence reports on any instructions Balladares might have had

with those negotiators, or any contact that he might have with the Communist Chinese.

All I know is, we are depending on an administration to defend our country, to make sure our children are not put in jeopardy, and that administration is treating the Communist Chinese as a strategic partner, and we are being put in danger.

We have to reverse this situation. It is up to the Congress of the United States to act, and it is up to the American people to demand action and to get involved in this process. If we want our children to be safe, we cannot do so by giving the Communist Chinese leverage on future generations of Americans. We will not be safe if the Communist Chinese have weapons based on American technology that could murder tens of millions of our people. That is not the kind of world we want to leave our children. In 10 years, that is the kind of world they are going to have, unless we act.

The first step, we have to quit treating Communist China as a friend and be realistic. I am not saying we should go to war with them. We should not. But we must be tough and we must be strong, and we must demand a trade relationship that is mutually beneficial, and certainly not one that gives them \$70 billion in hard currency and puts the American people out of work.

I am introducing legislation today, and I have approximately 25 cosponsors at this time. I am introducing legislation now. I ask people to call their Congressman to join the resolution, the Panama resolution, offered by the gentleman from California (Mr. ROHRBACHER). That is me. I am asking them to call their Members of Congress and ask them to join me in a resolution that does three things in Panama.

Number one, it asks the new government that defeated the Balladares regime, President Moscoso, who is a woman, a wonderful person and a ray of hope for the United States government, that we do our best, and we call on President Moscoso to cancel this lease with this Chinese front company, cancel it, and to investigate how that lease came about. That is what we are asking the President of Panama to do in this resolution.

We are asking also that the United States move forward with an investigation, as well as with the government of Panama, into these charges of corruption on how that lease was issued in the first place. When they cancel this lease, we are asking that they institute a new system that is open and fair and transparent, as they say, so there will be honest bidding for those port facilities in the Panama Canal. Also, we should investigate how that last contract happened.

Number three, we should negotiate with this new government in Panama, President Moscoso, some type of arrangement where we can work together with Panama for the security of Panama and also the security of the Panama Canal.